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#### **ABSTRACT**

As the fit between job values and job rewards becomes more important to American workers, it is important to understand factors which may affect these values. Data from the combined General Social Surveys of 1974, 1976, 1977 and 1980 were used to investigate the influence of education, job prestige, earnings, age, sex, race, and family characteristics on the value placed on intrinsic rewards. Specifically, respondents (N=1,857) were asked to rank in importance five job-related rewards: high income; no danger of being fired; working short hours; chance of advancement; and having important work which provides a sense of accomplishment. The ranking of this "sense of accomplishment" reward, clearly intrinsic in nature, was the dependent variable in the analyses. Results showed that having more education produced the highest ranking of the dependent variable. Having a father with more education and being white were also significantly associated with placing high value on intrinsic reward. Being older and having a father with a higher prestige occupation were also associated with intrinsic reward, while sex and the number of persons in the household were not related to this value. The findings indicate that the major determinant of the value placed on intrinsic job reward is pre-employment experience. Efforts to increase both individual and organizational outcomes by providing intrinsic rewards may not be successful for all types of workers. (JAC)



# FACTORS AFFECTING WORKERS' VALUATION OF INTRINSIC JOB REWARDS

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Paper presented at the annual meetings of the Rocky Mountain Psychological Association, April 1984.

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American workers are now assumed to desire more than good salaries and working conditions. The assumption that workers want intrinsic satisfactions from their jobs can be seen to underlie quality of work life and job enrichment programs. However not all workers will place equal importance on obtaining intrinsic rewards from their job (Hackman and Suttles, 1977). As the fit between job rewards and job values is critical, having both individual and organizational consequences (Coch and French, 1948; Kalleberg, 1977, Yuchtman, 1972), it is important to explore factors which may affect the value workers place upon job rewards.

These values may be affected by pre-employment socialization experiences, the employment situation, and/or present non-employment factors. The employment situation might affect job values in either of two ways. Maslow (1964) postulates that individuals have a hierarchy of needs from physiological needs, safety needs, belongedness needs, esteem needs, to self-actualization needs. Maslow states that as lower level needs are satisfied, individuals place greater value upon higher level needs. Lower level needs are more likely to be satisfied by extrinsic rewards while higher level needs will be satisfied by intrinsic rewards. As high income would allow satisfying lower level needs, Maslow's model would suggest that workers who earn greater income would place higher value on intrinsic job rewards than those earning less.

Instead of emphasizing that workers value what they have not yet attained, Kohn and Schooler (1973) emphasize that workers alter their values to place high value on job rewards which they are currently obtaining or which they believe can be obtained. This view would suggest that individuals whose jobs provide the opportunity to obtain intrinsic rewards should place greater value on these



rewards than those whose jobs do not. As persons who hold high status occupations are more likely to obtain both extrinsic and intrinsic rewards, they should place greater value on intrinsic job rewards than workers in low status occupations. Kalleberg and Griffin (1978) found this to be true, both with regard to the value placed upon intrinsic job rewards and the actual level of intrinsic and extrinsic rewards received by workers.

Among pre-employment experiences, one of the most obvious may be education level. Hyman and Wright (1979) reviewed data from 38 national surveys conducted from 1948 to 1975 and concluded that education has large and enduring effects upon values of individuals. While Hyman and Wright investigated general societal values, there is no reason to suspect that education would not also produce strong effects on job values. Their work along with others (Hackman and Suttle, 1977), suggests that workers with higher levels of education should place greater value on intrinsic job rewards than workers with less education.

Values develop not only in the education system but also through parental socialization. Kohn (1977) states that parents socialize their children to develop values appropriate for the life expected for their children. As social class of persons affect their view of the world, Kohn found that the social class of parents determined the values children develop. Wright and Wright (1976) found support for Kohn's position but found that parental education was more important than occupation. According to this work, the higher the educational and occupational level of parents, especially father's education and occupation, the greater the emphasis workers should place on intrinsic values.

Another variable which may effect job values is the race of the worker. Hurst (1972) argues that racial differences in values exist in America and are reflections of cultural differences, not class differences, which are passed on from one generation to another. Shapiro (1978) found black workers less likely



to value intrinsic job rewards than white workers even after education, occupational level and income were controlled.

Other variables included in the research reported in this paper are sex, age, and number of persons living in the individual's household. These variables were included because they may reflect current non-employment needs which might affect job values. This research investigated the effect that these variables had upon the value placed upon the intrinsic reward of "having important work which provides a sense of accomplishment." The analyses were concerned with determining what variables were related to this value, the magnitude of the relationship, and the pattern among variables.

#### DATA and VARIABLES

The data for this paper come from the combined General Social Surveys of 1974, 1976, 1977, and 1980. These surveys were based upon nationwide probability samples of the non-institutionalized population of persons 18 years of age and older and were conducted by the National Opinion Research Center. In these years all respondents were asked to rank in importance five job related rewards; ligh income, no danger of being fired, working short hours, having a chance for advancement, and having important work which provides a sense of accomplishment. This last reward, important work which provides a sense of accomplishment, is clearly the reward which best fits the concept of an intrinsic reward. The ranking that respondents gave to this reward was the dependent variable in the analyses. Low scores indicated that workers place a high value upon this intrinsic reward. However, to make the presentation of results clearer, the scores were reversed so higher scores would indicate higher value placed upon this reward.

The independent variables were respondent's education level, the prestige level of their occupation, education level of their father, and the prestige



level of their father's occupation, the respondent's annual earning from their job, age, sex, race, and the number of people living in the respondent's household. Education was measured by the actual years of schooling completed. Annual earnings was coded into 12 categories from less than \$1,000 to more than \$25,000. The prestige associated with the respondent's and their father's occupation was measured using an index of occupational prestige developed by Hodge, Siegel and Rossi reported in Siegel (1971). Race was coded as black or white with others deleted from the analyses.

While all respondents were asked to rank in importance the five job related rewards, only those respondents who were currently employed full-time were included in the analyses. The analyses used list-wise deletion for missing data, so only those with complete data on all variables were included. There were 1857 respondents included in the analyses.

#### ANALYSES and RESULTS

The first stage of the analyses was to investigate the relationship among the variables without controls. The zero-order correlation coefficients are shown in Table 1.  $^{2}$ 

### Table 1

These results show that seven of the nine independent variables are significantly related to the value placed upon having important work which provides a sense of accomplishment. Having more education, a higher prestige occupation, a father with more education and a higher prestige occupation, higher income, being white and older were all associated with placing high value on this ntrinsic reward. Only the respondent's sex and the number living in the household were not significantly related to this value.



Table 1 also shows many significant inter-relationships among other variables. Because of these relationships and to assess the magnitude of the effect of these variables on this intrinsic job reward, a step-wise regression analysis was conducted. The results of this are shown in Table 2.

#### Table 2

In this analysis, education has the largest effect on the value placed upon having important work which provides a sense of accomplishment. Education alone explains 2/3 of the total explained variation. The respondent's race followed by the occupational prestige of the respondent are next in importance while age and father's occupational prestige are also significant but add less than 1% to the explained variation. The respondents sex, which was not significantly related to the value of this reward in the zero-order correlations, now becomes significant at p < .05. The respondent's annual earnings and father's occupational prestige which were significantly related to this job value in Table 1 no longer are significant.

Models of status attainment (Duncan, Featherman, and Duncan, 1972) provide a basis for specifying how the variables should affect each other. The race, sex, age and father's education and occupational prestige may be considered exogeneous variables affecting education. These variables along with education may affect the prestige of the individual's occupation, and finally these variables might affect the value placed upon the intrinsic reward of having important work which provides a sense of accomplishment.

The results for this model are shown in the top portion of Table 3.

Table 3



Father's education has the largest effect on education level while prestige of the father's occupation has an additional effect as does, to a lesser degree, sex of the individual. The major factor affecting the prestige of the individual's occupation is educational level, having four times the effect of the next most important factor, age. Age has about three times the effect of race and father's occupational prestige. The most important factor affecting the value placed upon the intrinsic reward is education level. In addition race, age, and occupational prestige do have significant direct effects upon this value.

If all small paths in the model are deleted, those paths where the betas are less than 0.75 and which are not significant at p<.001, then a simpler model is obtained. This simpler model is shown in the lower part of Table 3 and in Figure 1. This simpler model explains 97.5% of the total variation in the value of the intrinsic reward explained by the more complete model. In this model it can be seen that education has the largest direct effect on the value placed upon the intrinsic job reward and also has an indirect effect through occupational prestige. Race has the second largest direct effect on this value followed by the prestige of the occupation. Age and father's education have smaller direct effects.

# Figure 1

#### CONCLUSIONS

It was suggested earlier in this paper that job values may be determined by pre-employment socialization experiences, the employment situation, and/or present non-employment needs and experiences. The results of the analyses presented in this paper found that variables from each of these three types of factors affecting the value placed upon the intrinsic job reward of having important work which provides a sense of accomplishment. It is clear, however, that the major determinent of the importance of this intrinsic job reward is pre-employment



experience. An individual's level of education produces the strongest effects while father's educational level and the individual's race also produce significant direct effects upon this value. Indicators of current work experience show less of an impact. While occupational prestige level does produce significant effects on the value of this value, it's effect is weaker than education level and race. In addition job earnings, an important work outcome, produce no significant effects on the value of the intrinsic reward when other variables are controlled. Age which also produces significant effects on this value may reflect current non-work concerns or may reflect past historical events and/or past socialization experiences.

These results have important implications for the potential success of organizational programs such as job enrichment and quality of work life. These programs, and others like them, assume that all workers value intrinsic job rewards or assume that workers will develop high value for them if they are given the opportunity to obtain them. The results of this paper while not directly contradicting the second assumption do raise serious questions about its reality. Job values were found to be determined, for the most part, by experiences which occur prior to the worker's current job. This suggests that efforts to increase both individual and organizational outcomes by providing intrinsic rewards to all workers may not be successful for all types of workers. Only certain types of workers will have the pre-employment characteristics which lead them to highly value this type of reward. Consistent with this argument was the decision of workers at General Motor plants in Saginaw, Michigan, to suspend participation in quality circles initiated by management.



Table 1. Zero order correlations

		1	2	3	4	5	6	7	8	9	10
1.	Having important work which provides sense of accomplishment	1.00									
2.	Father's occupational prestige	.103	1.00								
3.	Father's education	.201	.494	1.00							
4.	Occupational prestige	.293	.226	.256	1.00						
5.	Education	.326	.289	.427	.603	1.00					
6.	Annual earnings	.098	.062	.082	. 31 4	.278	1.00				
7.	Race	.173	.151	.102	.099	.050	.077	1.00			
8.	Sex	.041	.014	.058	006	027	387	.043	1.00		
9.	Age	.065	.044	.271	.076	109	.239	071	064	1.00	
10.	Number in household	029	112	084	089	092	.033	.070	114	076	1.0

<sup>\*</sup> All correlation coefficients above .07 are significant at P < .001, all coefficients above .06 are significant at P < .01, while coefficients above .05 are significant at P < .05, one-tailed.



Table 2. Stepwise regression on value of having important work which provides sense of accomplishment

Ste	p Variable	Standardized Regression Coefficient	Multiple R <sup>2</sup>	R <sup>2</sup> change
1.	education	.236*	.106	.106
2.	race	.142*	.131	.025
3.	prestige of occupation	.121*	.143	.011
4.	a ge	.110*	.148	.005
5.	father's education	.100*	.154	.005
6.	sex	.047**	.157	.003
7.	number in household	.032	.158	.001
8.	annual earnings	.031	.158	.0006
9.	father's occupational prestige	.026	.159	.0005

<sup>\*</sup> p < .001

<sup>\*\*</sup> p < .05

Table 3. Standardized regression coefficients

Dependent Variable

Independent variables	Education	Occupational	Value of		
		prestige	having important work which provides sense of accomplishment		
Race Sex Age Father's prestige Father's education Education Annual earnings Occupational prestige	-007 050*** .005 .103* .378*	.052** .020 .143* .046*** .010	.140* .043 .107* .028 .099* .234*031 .121*		
R <sup>2</sup>	.192	. 390	.158		
Father's education Father's occ. prestige Age Race Education Prestige	.376* .103*	.143* .619*	.088* .095* .135* .223* .115*		
$R^2$	.190	. 384	.154		

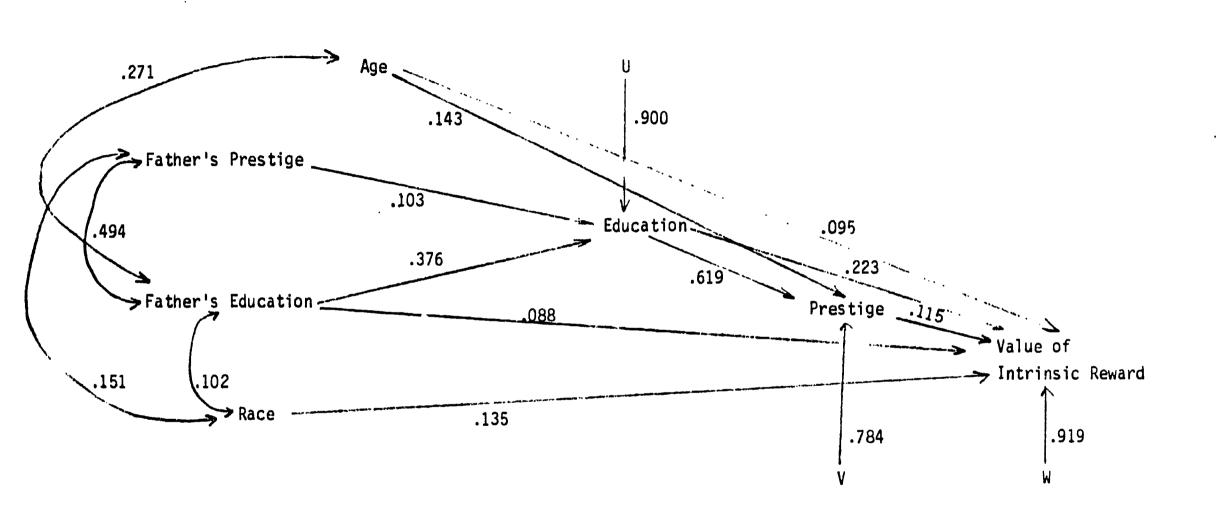
<sup>\*</sup> p<.001



<sup>\*\*</sup> p<.01

<sup>\*\*\*</sup> p<.05

Figure 1. Path Model





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1,0

## Footnotes

- 1. The same question was asked in the 1973 survey but respondents were not asked about their earnings from their job but only family income. Therefore, respondents from that year were not included in the analysis.
- 2. The use of parametric techniques for ordered data which do not strictly meet the measurement assumptions necessary for parametric techniques has been justified by Labovitz (1970) and recommended by Kim (1975) and by Bohrnstedt and Knoke (1982).



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